

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PINNACLE AIRLINES CORP., *et al.*,

Debtors.¹

Chapter 11

Case No. 12-11343 (REG)

(Jointly Administered)

**DECLARATION OF STEPHEN HUNYOR IN SUPPORT OF
DEBTORS' MOTION TO REJECT COLLECTIVE
BARGAINING AGREEMENTS WITH THE AIR LINE PILOTS
ASSOCIATION, INTERNATIONAL AND THE ASSOCIATION
OF FLIGHT ATTENDANTS-CWA PURSUANT TO 11 U.S.C. § 1113**

Stephen Hunyor declares and says:

1. I am an Associate at Seabury Consulting LLC ("Seabury"). I have been employed in this position since July 2007. From May 2005 to November 2006, I served as an underwriter at Chubb Insurance Company in Sydney, Australia. In 2002, I received a Bachelor of Commerce (with majors in Economics and Economic History) from the University of Sydney, Australia. In 2004, I received a Bachelor of Laws, with honors, from the University of Sydney, Australia.

2. Seabury was retained by the Debtors ("Pinnacle" or "the Company") in November 2011 as a financial advisor. Seabury and its professionals have extensive experience working with financially troubled companies in complex financial restructurings both out of court and in Chapter 11 cases. I have been working as a member of the Seabury team advising

¹ The Debtors are Pinnacle Airlines Corp., a Delaware holding company, and its four subsidiaries: Pinnacle Airlines, Inc., a Georgia corporation ("Pinnacle"); Mesaba Aviation, Inc., a Minnesota corporation ("Mesaba"); Colgan Air, Inc., a Virginia corporation ("Colgan"); and Pinnacle East Coast Operations Inc., a New York corporation ("PECO"). The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' Chapter 11 petitions.

the Company in connection with its Chapter 11 case since March 22, 2012. In this capacity, I am familiar with Pinnacle's business and financial affairs, and I offer this declaration in support of Pinnacle's motion pursuant to 11 U.S.C. § 1113 to reject the collective bargaining agreements ("CBAs") with the Air Line Pilots Association, International ("ALPA") and the Association of Flight Attendants-CWA ("AFA").

3. Except as otherwise indicated, all facts set forth in this declaration are based upon my personal knowledge, experience, and review of relevant business records and information. If called upon to testify, I would testify competently to the facts set forth in this declaration.

Labor Cost Savings Summaries

4. As part of its work on this case, Seabury has performed costing analyses to determine the amount of savings to the Company resulting from CBA modifications proposed by the Company and its unions. I have actively participated in all such calculations, either by performing them personally and/or overseeing others who performed them under my direct supervision. I am therefore personally familiar with Seabury's calculations of the cost savings of the various CBA modifications, including the assumptions and methodologies underlying them.

5. Attached as Exhibit 1 is a summary of Seabury's calculations of the average annual labor cost savings associated with the Company's September 6, 2012 proposal to ALPA and the Company's September 13, 2012 proposal to AFA.


6. Attached as Exhibit 2 is a summary of Seabury's calculations of the average annual labor cost savings associated with ALPA's September 12, 2012, 2012 counter-proposal to the Company.

7. Attached as Exhibit 3 is a summary of Seabury's calculations of the average annual labor cost savings associated with AFA's September 12, 2012 counter-proposal to the Company.

I, Stephen Hunyor, declare under penalty of perjury that the foregoing is true and correct.

Memphis, Shelby County, Tennessee

Dated: September 13, 2012



Stephen Hunyor
Associate
Seabury Consulting LLC